

**A Complete Copy Of Delphi's Court
Papers, Including The Disclosure
Statement, Plan And Memorandum Of
Understanding, Can Be Obtained At
www.Delphidocket.com Or By Calling
1-888-249-2691**

This is a notice which may affect you as a present or former employee of Delphi:

**The information in this notice is only a summary and you can obtain complete papers
as set forth above this box and on page 5.**

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
:
DELPHI CORPORATION, et al., : Case No. 05-44481 (RDD)
:
Debtors. : (Jointly Administered)
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INFORMATIONAL NOTICE WITH RESPECT TO (I) RELEASES UNDER PROPOSED PLAN
OF REORGANIZATION AND (II) MEMORANDUM OF UNDERSTANDING AMONG IUE-
CWA, DELPHI, AND GENERAL MOTORS CORPORATION INCLUDING MODIFICATION OF
IUE-CWA COLLECTIVE BARGAINING AGREEMENTS AND RETIREE
WELFARE BENEFITS FOR CERTAIN IUE-CWA-REPRESENTED RETIREES

**Information For IUE-CWA-Represented
Employees And Retirees Of Delphi Corporation**

On August 6, 2007, Delphi Corporation and certain of its affiliated debtors and debtors-in-possession ("Delphi"), filed an Expedited Motion For Order Under 11 U.S.C. §§ 363, 1113, and 1114 and Fed. R. Bankr. P. 6004 and 9019 Approving Memorandum of Understanding Among IUE-CWA, Delphi, and General Motors Corporation, Including Modification of IUE-CWA Collective Bargaining Agreements and Retiree Welfare Benefits For Certain IUE-CWA-Represented Retirees, which sought approval from the United States Bankruptcy Court for the Southern District of New York (the "Court") of a memorandum of understanding dated August 5, 2007 (the "Agreement" or "Memorandum of Understanding") among Delphi, GM,¹ and the IUE-CWA regarding Delphi's restructuring.

¹ Capitalized terms used and not defined in this informational notice have the meanings set forth in the Agreement.

On August 16, 2007, the Court approved the Agreement, which was ratified by the IUE-CWA as of August 20, 2007.

On September 6, 2007, Delphi filed with the Court (a) the Joint Plan Of Reorganization Of Delphi Corporation And Certain Affiliates, Debtors And Debtors-in-Possession (as subsequently amended, supplemented, or otherwise modified, the "Plan"), and (b) the Disclosure Statement with respect to the Plan of Reorganization of Delphi Corporation and Certain Affiliates, Debtors and Debtors-in-Possession (as subsequently amended, supplemented, or otherwise modified, the "Disclosure Statement").

The Agreement provides that upon confirmation of the Plan by the Court, and Article 11.6 of the Plan proposes, that Delphi and GM will receive releases from the IUE-CWA and all employees and former employees of Delphi represented or formerly represented by the IUE-CWA as described more fully below.

Article 11.13 of the Plan proposes that the releases under Article 11.6 of the Plan will act as an injunction against any person to collect or recover any claim or interest released under the Plan.

The Agreement provides, among other terms, that:

- The terms of the IUE-CWA CBAs are extended until October 12, 2011;
- A site plan is implemented with respect to each of 7 IUE-CWA-Delphi plants which includes, at certain sites, certain revenue program and production commitments from Delphi and/or GM and pursuant to which Delphi will retain ownership and operations in three facilities, two facilities will be sold or transferred to a third party, and two facilities will be closed;
- A workforce transition program is implemented for certain IUE-CWA-represented employees that provides eligible employees with transformation plan options including (1) attrition options, similar to the previously-approved IUE-CWA attrition program, (2) special employee placement opportunities at General Motors Corporation for eligible Delphi employees who do not elect the attrition options, including relocation allowances of up to \$67,000 in certain circumstances when specific plants cease production, (3) provision of various lump sum "buy-down" payment options totaling up to \$105,000 for certain eligible production employees who do not elect an attrition option or become employed by GM and continue to work for Delphi under the terms of the Agreement, and (4) severance payments which can total up to \$40,000 to certain eligible employees at specified sites who are permanently laid off prior to October 12, 2011;
- Certain terms of the IUE-CWA CBAs are modified with respect to wages and benefits for certain employees including vacation

entitlement, life insurance, extended disability benefits, supplemental unemployment benefits, paid holidays, and healthcare;

- Certain terms of the IUE-CWA CBAs are modified with respect to provisions covering hiring requirements, existing JAC/Legal Services, temporary employees, Appendix F, GIS, AOL, LJISA, and other matters described in Attachment E to the Memorandum of Understanding;
- Local negotiations for all Keep and Footprint sites conducted concurrently with the negotiations resulting in the Agreement are final and binding upon ratification of the Agreement;
- All employee, retiree, and union asserted and unasserted claims are settled (except for waiver of rights to vested pension benefits, workers compensation benefits, unemployment compensation benefits, and pending ordinary course grievances of employees remaining in the workforce); and
- The IUE-GM National Joint Skill Development and Training Committee will quitclaim any rights to the JAC Building to the IUE-CWA International or to an agreed upon not-for-profit entity.

Effective upon the execution by Delphi and GM of a comprehensive settlement agreement resolving certain financial, commercial, and other matters between Delphi and GM and substantial consummation of a plan of reorganization proposed by Delphi in its chapter 11 cases and confirmed by this Court which incorporates, approves, and is consistent with all of the terms of the Agreement and Delphi-GM settlement:

- Delphi's obligation to provide certain retiree welfare benefits is eliminated and GM is obligated to provide certain retiree welfare benefits for certain IUE-CWA-represented employees covered as provided in the Benefit Guarantee Term Sheet;
- A transfer of certain pension assets and liabilities from Delphi's pension plans to GM's pension plans is effectuated pursuant to Internal Revenue Code Section 414(l);
- Delphi's existing pension plan is frozen in certain respects effective upon emergence from chapter 11 and GM is obligated to pay certain benefits for certain IUE-CWA-represented employees covered as provided in the Benefit Guarantee Term Sheet;
- The IUE-CWA will receive an allowed general unsecured prepetition claim against Delphi in the amount of \$126 million in complete settlement of all asserted and unasserted IUE-CWA claims, including, but not limited, to IUE-CWA/Delphi Joint Activities Center (the "JAC") asserted and unasserted claims ("the Allowed Claim"). The proceeds realized by the IUE-CWA and/or the voluntary employees' beneficiary association ("VEBA") trust, from a \$26 million dollar

portion of the Allowed Claim, will be paid directly to the VEBA trust to be established and sponsored by the IUE-CWA to provide supplemental retiree health insurance to certain eligible Delphi employees and their dependents; the proceeds realized by the IUE-CWA and/or the VEBA trust, from a \$90 million dollar portion of the Allowed Claim, will be paid directly to a VEBA trust to be established and sponsored by the IUE-CWA for the purpose of funding employee benefits for active and retired employees and their dependents; and the proceeds realized by the IUE-CWA and/or a VEBA trust, from a \$10 million dollar portion of the Allowed Claim, will be paid directly to the successor to the JAC entity which will be established and administered by the IUE-CWA;

- The Memorandum of Understanding (including the IUE-CWA CBAs) is assumed pursuant to 11 U.S.C. § 365;
- The IUE-CWA released parties are exculpated and released in connection with the Memorandum of Understanding and Delphi's chapter 11 cases; and
- Delphi and GM receive releases from the IUE-CWA, all employees and former employees of Delphi represented or formerly represented by the IUE-CWA, and all persons or entities with claims derived from or related to any relationship with such employees of Delphi arising directly or indirectly from or in any way related to any obligations under the collective bargaining agreements or the Memorandum of Understanding (except for claims for benefits provided for or explicitly not waived under the Memorandum of Understanding, including, but not limited to, workers' compensation benefits against Delphi, its subsidiaries, or affiliates that are otherwise assertable under applicable law).

This information is only a summary of some of the terms of the Disclosure Statement, Plan, and Memorandum of Understanding and is qualified entirely by and is subject to the actual terms and conditions of those documents. Complete copies of Delphi's Court papers, including the Disclosure Statement, Plan, and Memorandum of Understanding, can be obtained at www.delphidocket.com or by calling 1-888-249-2691.

Dated: New York, New York
October 12, 2007

SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP

By: _____
John Wm. Butler, Jr. (JB 4711)
George N. Panagakis (GP 0770)
Ron E. Meisler (RM 3026)
Nathan Stuart (NS 7872)
333 West Wacker Drive, Suite 2100
Chicago, Illinois 60606

- and -

By: _____
Kayalyn A. Marafioti (KM 9632)
Thomas J. Matz (TM 5986)
Four Times Square
New York, New York 10036

- and -

O'MELVENY & MYERS LLP

By: _____
Tom A. Jerman (TJ 1129)
Jessica Kastin (JK 2288)
1625 Eye Street, NW
Washington, DC 20006

Attorneys for Delphi Corporation, et al.,
Debtors and Debtors-in-Possession